

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Appellants:	Samuel N. Zellner	)	
		)	
Serial No.:	10/750,695	)	Before the Board of Appeals
		)	
Filed:	January 2, 2004	)	
		)	
For:	METHODS, SYSTEM, AND	)	Appeal No.
	STORAGE MEDIUM FOR MANAGING	)	
	ELECTRONIC TRANSACTIONS	)	

**APPEAL BRIEF**

Commissioner for Patents  
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This Appeal Brief is submitted in response to a Final Office Action mailed November 24, 2009, a Pre-Appeal Review Request and Notice of Appeal filed March 24, 2010, and a Pre-Appeal Review Decision mailed May 17, 2010.

### THE REAL PARTY IN INTEREST

The real party in interest is AT&T INTELLECTUAL PROPERTY I, L.P., an entity that has acquired certain assets of BellSouth Intellectual Property Corporation, the assignee of record.

### RELATED APPEALS AND INTERFERENCES

Appellants know of no related patent applications or patents under appeal or interference proceeding.

### STATUS OF CLAIMS

Claims 1-12 and 15-25 are pending. Claims 13 and 14 have been cancelled. Claims 1-12 and 15-25 have been rejected under 35 U.S.C. 103(a). The rejections of claims 1-12 and 15-25 under 35 U.S.C. 103(a) are at issue and are herein appealed.

### STATUS OF AMENDMENTS

There are no amendments made After Final rejection.

### SUMMARY OF CLAIMED SUBJECT MATTER

A concise explanation of the subject matter defined in each of the independent claims 1, 7 and 15 involved in the appeal is provided below:

#### **Claim 1**

Claim 1 recites, “[a] method for providing control over transactions” (Figures 2 and 4; paragraph [0011]).

The method includes “prompting a primary user, via a transaction control system

implemented on a computer, to input financial notification data, the financial notification data operable for defining transaction controls associated with financial transactions initiated by a secondary user, the financial notification data including a spending type comprising a time limit imposed on usage of an item that is subject to the transaction controls” (paragraphs [0012] and [0021] – primary and second users; paragraph [0020], Figure 2, step 212; spending type – paragraph [0022]).

The method further includes “receiving and storing, via the transaction control system, the financial notification data” (paragraph [0023]; Figure 2, step 218).

The method also includes “receiving, via the transaction control system, data relating to a financial transaction from a point of sale, the data associated with the secondary user” (paragraph [0026]; Figure 4, steps 402-408).

The method further includes “retrieving, via the transaction control system, financial notification data related to the financial transaction” (paragraph [0026]; Figure 4, steps 402-408).

The method further includes “sending a notification to the point of sale, via the transaction control system, based upon the data relating to the financial transaction” (paragraph [0026]; Figure 4, steps 402-408).

The method also includes “upon determining, via the transaction control system, that a transaction is not acceptable: approving a request to execute the financial transaction, via the transaction control system, without interaction from the primary user and issuing a notification to the primary user when the request to execute the financial transaction is approved; and returning to the secondary user a notice of suspension of the account privileges” (paragraph [0026]).

### **Claim 7**

Claim 7 recites “[a] system for providing control over transactions” (Figure 1).

The system includes “a means for prompting a primary user to input financial notification data, the financial notification data operable for defining transaction controls associated with financial transactions initiated by a secondary user, the financial notification data including a spending type comprising a time limit imposed on usage of an item that is subject to the transaction controls” (Figure 1- transaction control system 102; paragraph [0012], paragraph [0021]- primary and secondary users; paragraph [0020]; paragraph [0022]).

The system also includes “a means for receiving and storing the financial notification data” (Figure 1- transaction control system 102; paragraph [0023]).

The system further includes “a means for receiving data relating to a financial transaction from a point of sale, the data associated with the secondary user” (Figure 1- transaction control system 102; paragraph [0026]).

The system also includes “a means for retrieving financial notification data related to the financial transaction” (Figure 1- transaction control system 102; paragraph [0026]).

The system also includes “a means for sending a notification to the point of sale based upon the data relating to the financial transaction” (Figure 1- transaction control system 102; paragraph [0026]).

The system further includes “means for approving a request to execute the financial transaction without interaction from the primary user and issuing a notification to the primary user when the request to execute the financial transaction is approved; wherein the control over transactions is provided by a cable television service provider” (Figure 1- transaction control system 102; paragraph [0026]; cable television service provider- paragraph [0017]).

#### **Claim 15**

Claim 15 recites “[a] storage medium encoded with machine-readable computer program code for providing control over transactions, the storage medium including computer executable instructions for causing a computer to implement a method” (Figure 1; paragraph [0028]).

The method includes “prompting a primary user to input financial notification data, the financial notification data operable for defining transaction controls associated with financial transactions initiated by a secondary user, the financial notification data including a spending type comprising a time limit imposed on usage of an item that is subject to the transaction controls” (paragraph [0012] and paragraphs [0020]-[0022]).

The method also includes “receiving and storing the financial notification data” (paragraph [0023]);

The method also includes “receiving data relating to a financial transaction from a point of sale, the data associated with the secondary user” (paragraph [0026]).

The method also includes “retrieving financial notification data related to the financial transaction” ([paragraph [0026]).

The method further includes “sending a notification to the point of sale based upon the data relating to the financial transaction” (paragraph [0026]).

The method also includes “approving a request to execute the financial transaction without interaction from the primary user and issuing a notification to the primary user when the request to execute the financial transaction is approved” (paragraph [0026]).

The method further includes “wherein the control over transactions is provided by a merchant” (paragraphs [0012] and [0014]-[0016]).

The above exemplary embodiments are discussed with respect to the aforementioned independent claims by way of example only and are not intended to in any way limit the scope of the these claims.

#### GROUND OF REJECTION TO BE REVIEWED ON APPEAL

Claims 1-12 and 15-25 have been rejected by the Examiner under 35 U.S.C. 103(a) as being allegedly unpatentable over U.S. Patent No. 7,254,548 Tannenbaum (hereinafter “Tannenbaum”) in view of U.S. Patent Application No. 2002/0112171 Ginter, et al., (hereinafter “Ginter”). The rejections of claims 1-12 and 15-25 under 35 U.S.C. 103(a) as being allegedly unpatentable over Tannenbaum in view of Ginter are at issue and are herein appealed.

#### ARGUMENT

Claims 1-12 and 15-25 have been rejected under 35 U.S.C. §103(a) as being allegedly unpatentable over Tannenbaum in view of Ginter.

The Appellant submits that the rejections of claims 1-12 and 15-25 are in error because the Examiner has not met the burden of establishing a *prima facie* case of obviousness in contravention of 35 U.S.C. §103.

Claim 1 recites, *inter alia*, “prompting a primary user, via a transaction control system implemented on a computer, to input financial notification data, the financial notification data operable for defining transaction controls associated with financial transactions initiated by a secondary user, the financial notification data including a spending type comprising a time limit imposed on usage of an item that is subject to the transaction controls;

receiving and storing, via the transaction control system, the financial notification data;

receiving, via the transaction control system, data relating to a financial transaction from a point of sale, the data associated with the secondary user;

retrieving, via the transaction control system, financial notification data related to the financial transaction;

sending a notification to the point of sale, via the transaction control system, based upon the data relating to the financial transaction; and

*upon determining, via the transaction control system, that a transaction is not acceptable:*

*approving a request to execute the financial transaction*, via the transaction control system, without interaction from the primary user and issuing a notification to the primary user when the request to execute the financial transaction is approved; *and*

returning to the secondary user a notice of *suspension of the account privileges*.”

With respect to claim 1, the Examiner states that Tannenbaum teaches “*approving a request to execute the financial transaction*, via the transaction control system, without interaction from the primary user and issuing a notification to the primary user when the request to execute the financial transaction is approved,” citing column 3, lines 60-65 in support. This portion of Tannenbaum discloses a conditional transaction that is based upon either pre-approved purchases (e.g., via profiles 17, Figure 1; column 3, lines 39-53) or a point-of-sale notification and approval by an authorized person (column 3, line 50-column 4, line 24 “[T]he purchase can only be completed, if the third person responds in a positive manner (perhaps by pushing a button or speaking an acceptance word as set out in the user’s profile)).”

Thus, Tannenbaum discloses a notification and authorization request is generated and implemented as a pre-condition of authorizing a purchase. By contrast, claim 1 recites *approving* a request to execute a financial transaction *after* determining that the transaction is *not* acceptable, as the system then provides for suspending the user's privileges subsequent to the approval ("returning to the secondary user a notice of *suspension of the account privileges*"). This feature is clearly not found anywhere in Tannenbaum.

Additionally, Tannenbaum fails to teach or suggest "suspension of the account privileges." The Examiner states that Tannenbaum teaches this feature, citing Figure 4, elements 412, 416 and 417, and column 8, lines 40-45. In fact, this portion of Tannenbaum simply discloses conditions under which a particular transaction may be inhibited. Inhibiting a transaction (which implies other transactions may still be pursued) is clearly not the same as suspending account privileges (where "suspension" implies at least a semi-permanent condition). For example, Ginter discloses "[T]he boat account is \$1,000.00. It is a semi-annual amount and has a priority 3, which if desired, means that if other categories are over at a particular time when the boat account is to be used this account will be inhibited (subject to being overridden by the user) until the overall account balance goes below a certain amount," (column 8, lines 57-63).

Moreover, the interpretation given to the recited "suspension of privileges" as being equivalent to 'inhibiting a transaction' as disclosed in Tannenbaum is in error because it would not make sense in the context of Applicant's claim 1. For example, "approving a request to execute the financial transaction...and sending a notice of suspension of privileges," as applied to Tannenbaum would result in *approving the request* to execute the transaction *followed by inhibiting the transaction*. This interpretation is illogical and cannot be meaningfully applied to the Applicant's claim 1.



Accordingly, Tannenbaum may not be relied upon for teaching or suggesting “*upon determining, via the transaction control system, that a transaction is not acceptable:*

*approving a request to execute the financial transaction*, via the transaction control system, without interaction from the primary user and issuing a notification to the primary user when the request to execute the financial transaction is approved; *and*

returning to the secondary user a notice of *suspension of the account privileges.*”

Ginter fails to cure the aforementioned deficiencies of Tannenbaum. Thus, the rejection of claim 1 as being unpatentable over Tannenbaum in view of Ginter is in error and should be reversed.

Claims 2-6, 21, and 24 are believed to be patentable over Tannenbaum in view of Ginter at least for the reason they depend from what should be an allowable base claim.

Independent claim 7 recites, *inter alia*, “a means for prompting a primary user to input financial notification data, the financial notification data operable for defining transaction controls associated with financial transactions initiated by a secondary user, the financial notification data including a spending type comprising a time limit imposed on usage of an item that is subject to the transaction controls;

a means for receiving and storing the financial notification data;

a means for receiving data relating to a financial transaction from a point of sale, the data associated with the secondary user;

a means for retrieving financial notification data related to the financial transaction;

a means for sending a notification to the point of sale based upon the data relating to the

financial transaction; and

means for approving a request to execute the financial transaction without interaction from the primary user and issuing a notification to the primary user when the request to execute the financial transaction is approved;

*wherein the control over transactions is provided by a cable television service provider.”*

The Examiner relies upon Tannenbaum for allegedly teaching each of the features recited in claim 7 except for “wherein the control over transactions is provided by a cable television service provider,” for which he relies upon Ginter (paragraph [0060]) in support. Ginter is directed to ensuring secure transaction management and electronic rights protection (Abstract). Ginter discloses a VDE (“virtual distribution environment” – paragraph [0011]) that “secures, administers, and audits electronic information use”). The controls served by the teachings of Ginter relate to electronic content that travels “across the ‘information highway’” (paragraph [0011]). In context with paragraph [0060], therefore, the “controls” taught by Ginter refer to the VDEs, which are used to secure and control access to video content. By contrast, the Appellant’s recited claim 7 is directed to transaction controls, which throughout the claim are specifically addressing the ability of a primary user to control the financial transactions conducted by a secondary user. The fact that Ginter generally discloses a cable television service provider does not render claim 7 obvious in view of Tannenbaum without more than the general reference to the motivation “it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Tannenbaum’s to incorporate the feature taught by Ginter above, for the purpose of allowing a cable television service provider to control over the transactions [sic]” (Final Office Action, pages 8-9). The Appellant submits that it is the Appellant’s own

disclosure that provides the motivation in this instance. Accordingly, the Appellants submit that the combination of Tannenbaum and Ginter does not result in the Appellant's claim 7 and that the combination itself lacks motivation. Thus, the rejection of claim 7 as being unpatentable over Tannenbaum in view of Ginter is in error and should be reversed.

The rejections of claims 8-12 and 22 as being unpatentable over Tannenbaum in view of Ginter are in error for at the reason these claims depend from a patentable base claim 7.

Independent claim 15 recites, *inter alia*, "prompting a primary user to input financial notification data, the financial notification data operable for defining transaction controls associated with financial transactions initiated by a secondary user, the financial notification data including a spending type comprising a time limit imposed on usage of an item that is subject to the transaction controls;

receiving and storing the financial notification data;

receiving data relating to a financial transaction from a point of sale, the data associated with the secondary user;

retrieving financial notification data related to the financial transaction;

sending a notification to the point of sale based upon the data relating to the financial transaction; and

approving a request to execute the financial transaction without interaction from the primary user and issuing a notification to the primary user when the request to execute the financial transaction is approved;

***wherein the control over transactions is provided by a merchant."***

The Examiner does not cite to any reference for disclosing "wherein the control over transactions is provided by a merchant." On page 9 of the Final Office Action, the Examiner

states claims 15-20 “are written in computer storage medium that contains the same limitations found in claims 1-6 above, therefore, are rejected by the same rationale.” The Appellants submit that claim 15 recites feature that are *different* from those in claims 1-6. In fact, nowhere in claims 1-6 does it recite “wherein the control over transactions is provided by a merchant.” The Appellants submit that neither of the references, Tannenbaum nor Ginter, teaches, suggests or renders obvious this feature. Accordingly, the rejection of claim 15 as being unpatentable over Tannenbaum in view of Ginter is in error and should be reversed.

The rejections of claims 16-20, 23, and 25 as being unpatentable over Tannenbaum in view of Ginter are in error for at the reason these claims depend from a patentable base claim 15.

## CONCLUSION

In view of the foregoing, it is urged that the final rejection of claims 1-12 and 15-25 be overturned. The final rejection is in error and should be reversed. The fee set forth in 37 CFR 41.20(b)(2) is enclosed herewith. If there are any additional charges with respect to this Appeal Brief, or otherwise, please charge them to Deposit Account No. 06-1130.

Respectfully submitted,

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## CLAIM APPENDIX

### Listing of Claims:

1. A method for providing control over transactions, comprising:
  - prompting a primary user, via a transaction control system implemented on a computer, to input financial notification data, the financial notification data operable for defining transaction controls associated with financial transactions initiated by a secondary user, the financial notification data including a spending type comprising a time limit imposed on usage of an item that is subject to the transaction controls;
  - receiving and storing, via the transaction control system, the financial notification data;
  - receiving, via the transaction control system, data relating to a financial transaction from a point of sale, the data associated with the secondary user;
  - retrieving, via the transaction control system, financial notification data related to the financial transaction;
  - sending a notification to the point of sale, via the transaction control system, based upon the data relating to the financial transaction; and
  - upon determining, via the transaction control system, that a transaction is not acceptable:
    - approving a request to execute the financial transaction, via the transaction control system, without interaction from the primary user and issuing a notification to the primary user when the request to execute the financial transaction is approved; and
    - returning to the secondary user a notice of suspension of the account privileges.

2. The method of claim 1, wherein the financial notification data specify conditions for performing at least one of:

- denying a request to execute the financial transaction;
- confirming an identity of the secondary user before approving the financial transaction; and
- suspending future financial transaction activities of the secondary user.

3. The method of claim 1, wherein the spending type further includes at least one of:

- a type of transaction;
- a listing of items or services associated with the transaction;
- a type of merchant;
- a time of day;
- a spending limit; and
- a location type.

4. The method of claim 1, further comprising:

presenting a user interface screen with a menu of transaction control items and transaction control rules, the control items organized into, and presented via the user interface as, categories;

wherein receiving the financial notification data from the primary user includes receiving one of a user-selected control item, category of control item, and user-defined control item from the primary user via the user interface screen.

5. The method of claim 1, wherein the notifications to the point of sale and the primary user are presented via at least one of:

- a point of sale terminal;

- a transaction receipt;
- a computer screen;
- a telephone;
- postal mail;
- a messaging application; and
- an online service.

6. The method of claim 1, wherein the notification to the point of sale comprises at least one of:

- an account balance;
- an account shut-off;
- a denial of a request to execute the financial transaction;
- a request for an additional authorization code; and
- a request to check an identification of the secondary user.

7. A system for providing control over transactions, comprising:

- a means for prompting a primary user to input financial notification data, the financial notification data operable for defining transaction controls associated with financial transactions initiated by a secondary user, the financial notification data including a spending type comprising a time limit imposed on usage of an item that is subject to the transaction controls;
- a means for receiving and storing the financial notification data;
- a means for receiving data relating to a financial transaction from a point of sale, the data associated with the secondary user;
- a means for retrieving financial notification data related to the financial transaction;
- a means for sending a notification to the point of sale based upon the data relating



to the financial transaction; and

means for approving a request to execute the financial transaction without interaction from the primary user and issuing a notification to the primary user when the request to execute the financial transaction is approved;

wherein the control over transactions is provided by a cable television service provider.

8. The system of claim 7, wherein the financial notification data specify conditions for performing at least one of:

denying a request to execute the financial transaction;

confirming an identity of the secondary user before approving the financial transaction; and

suspending future financial transaction activities of the secondary user.

9. The system of claim 7, wherein the spending type further includes at least one of:

a type of transaction;

a type of good or service;

a type of merchant;

a time of day;

a spending limit; and

a location type.

10. The system of claim 7, further comprising:

presenting a user interface screen with a menu of transaction control items and transaction control rules, the control items organized into, and presented via the user interface as, categories;

wherein receiving the financial notification data from the primary user includes receiving one of a user-selected control item, category of control item, and user-defined control item from the primary user via the user interface screen.

11. The system of claim 7, wherein the notifications to the point of sale and the primary user are presented via at least one of:

- a point of sale terminal;
- a transaction receipt;
- a computer screen;
- a telephone;
- postal mail;
- a messaging application; and
- an online service.

12. The system of claim 7, wherein the notification to the point of sale comprises at least one of:

- an account balance;
- an account shut-off;
- a denial of a request to execute the financial transaction; and
- a request to check an identification of the secondary user.

13. – 14. (Canceled)

15. A storage medium encoded with machine-readable computer program code for providing control over transactions, the storage medium including computer executable instructions for causing a computer to implement a method, comprising:

prompting a primary user to input financial notification data, the financial notification data operable for defining transaction controls associated with financial transactions initiated by a secondary user, the financial notification data including a spending type comprising a time limit imposed on usage of an item that is subject to the transaction controls;

receiving and storing the financial notification data;

receiving data relating to a financial transaction from a point of sale, the data associated with the secondary user;

retrieving financial notification data related to the financial transaction;

sending a notification to the point of sale based upon the data relating to the financial transaction; and

approving a request to execute the financial transaction without interaction from the primary user and issuing a notification to the primary user when the request to execute the financial transaction is approved;

wherein the control over transactions is provided by a merchant.

16. The storage medium of claim 15, wherein the financial notification data specify conditions for performing at least one of:

denying a request to execute the financial transaction;

confirming an identity of the secondary user before approving the financial transaction; and

suspending future financial transaction activities of the secondary user.

17. The storage medium of claim 15, wherein the spending type further includes at least one of:

a type of transaction;

a listing of items or services associated with the transaction;

a type of merchant;

a time of day;

a spending limit; and

a location type.

18. The storage medium of claim 15, further comprising instructions for performing:  
presenting a user interface screen with a menu of transaction control items and transaction control rules, the control items organized into, and presented via the user interface as, categories;

wherein receiving the financial notification data from the primary user includes receiving one of a user-selected control item, category of control item, and user-defined control item from the primary user via the user interface screen.

19. The storage medium of claim 15, wherein the notifications to the point of sale and the primary user are presented via at least one of:

a point of sale terminal;

a transaction receipt;

a computer screen;

a telephone;

postal mail;

a messaging application; and

an online service.

20. The storage medium of claim 15, wherein the notification to the point of sale comprises at least one of:

an account balance;

an account shut-off;

a request for an additional authorization code;

a denial of a request to execute the financial transaction; and

a request to check an identification of the secondary user.

21. The method of claim 1, wherein the primary user is a merchant.

22. The system of claim 7, wherein the primary user is a merchant.

23. The storage medium of claim 15, wherein the primary user is a merchant.

24. The method of claim 1, wherein the item is video gaming and the transaction

controls include setting limits on the item by:

time;

usage;

game type; and

total gaming cost.

25. The storage medium of claim 15, wherein the control over transactions is provided by an application service provider.

## EVIDENCE APPENDIX

None

## RELATED PROCEEDINGS APPENDIX

None